

AG Contract No. KR99 0393TRN
ADOT ECS File No. JPA 99-32
Project TRACS No. **H4833 07C**
Section: I-19 @ Ruby Road
(Pena Blanca TI)

AGREEMENT
BETWEEN
THE STATE OF ARIZONA
AND
PILOT CORPORATION

THIS AGREEMENT is entered into 29 April, 1999,
between the STATE OF ARIZONA, acting by and through its DEPARTMENT
OF TRANSPORTATION (the "State") and the PILOT CORPORATION, a
Tennessee Corporation, acting by and through its duly authorized
officer (the "Pilot").

I. RECITALS

1. The State is empowered by Arizona Revised Statutes
Section 28-408 to enter into this agreement and has by resolution,
a copy of which is attached hereto and made a part thereof,
resolved to enter into this agreement and has delegated to the
undersigned the authority to execute this agreement on behalf of
the State.

2. The Pilot is empowered to enter into this agreement and
has by corporate resolution, a copy of which is attached hereto
and made a part hereof, resolved to enter into this agreement on
behalf of the Pilot, and has delegated to the undersigned the
authority to execute this agreement on behalf of the Pilot.

3. Incident to a highway improvement project on I-19 at the
Ruby Road traffic interchange currently under construction by the
State, the Pilot has requested the State to construct improvements
beneficial to the Pilot and the State, including a right and left
turn lane on the I-19 frontage road, paving the roadway widening
on the I-19 frontage road, placement of ABC, striping, pavement
markers, CMP installation, guardrail, embankment curb and sign
installation, at a currently estimated cost of \$20,351.00, all at
Pilot expense, hereinafter referred to as the Project.

THEREFORE, in consideration of the mutual agreements expressed
herein, it is agreed as follows:

II. Scope of Work

1. The Pilot will:

a. Provide to State standards design plans, specifications and such other documents and services required for construction contractor pricing and construction of the Project. Incorporate State review comments.

b. Retain the right to cancel the Project prior to commencement of construction for work on the Project, in the event of excessive costs.

c. Within 30 days after receipt of an invoice, advance the State funds in the amount of \$20,351.00 as the current estimated cost of the Project. Be responsible for all reasonable direct actual costs associated with the Project, including construction engineering, and advance the State any additional funds as required to pay for the Project. Be responsible for any contractor claims for extra compensation due to delays or whatever reason attributable to the Pilot.

2. The State Will:

a. Review the design documents and provide comments.

b. Upon execution of this agreement by the parties hereto, invoice the Pilot in the amount of \$20,351.00 as the current estimated cost of the Project, and thereafter as necessary to pay the contractor for the reasonable direct actual cost of the Project, plus an estimated ten percent (10%) construction engineering.

c. By change order to the existing State construction contract, accomplish construction of the Project. Upon completion, approve and accept the Project as complete and provide maintenance within the State right of way.

III. MISCELLANEOUS PROVISIONS

1. This agreement shall remain in force and effect until completion of said Project and payments, provided; however, that this agreement may be cancelled at any time prior to change order to the existing contract for construction contract modification, upon fifteen (15) days written notice to the other party.

III. MISCELLANEOUS PROVISIONS

1. This agreement shall remain in force and effect until completion of said Project and payments, provided; however, that this agreement may be cancelled at any time prior to change order to the existing contract for construction contract modification, upon fifteen (15) days written notice to the other party.

2. This agreement shall become effective upon execution by the parties hereto.

3. This agreement may be cancelled in accordance with Arizona Revised Statutes Section 38-511 as regards conflicts of interest on behalf of state employees.

4. The provisions of Arizona Revised Statutes Section 35-214 pertaining to audit are applicable to this contract.

5. In the event of any controversy which may arise out of this agreement, the parties hereto agree to abide by required arbitration as is set forth in Arizona Revised Statutes Section 12-1518.

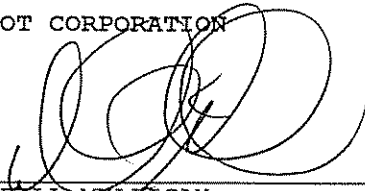
6. All notices or demands upon any party to this agreement shall be in writing and shall be delivered in person or sent by main addressed as follows:

Arizona Department of Transportation
Joint Project Administration
205 S. 17 Avenue, Mail Drop 616E
Phoenix, AZ 85007

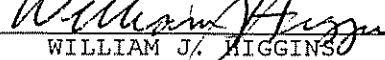
Pilot Corporation
P.O. Box 10146
Knoxville, Tennessee 37939-0146

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

PILOT CORPORATION

By 
BILL MULLIGAN
Director of Design
and Construction

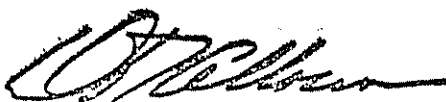
STATE OF ARIZONA
Department of Transportation

By 
WILLIAM J. HIGGINS
Deputy State Engineer

RESOLUTION

BE IT RESOLVED on this 14th day of April 1999, that I, the undersigned MARY E. PETERS, as Director of the Arizona Department of Transportation, have determined that it is in the best interests of the State of Arizona that the Department of Transportation, acting by and through the Intermodal Transportation Division, to enter into an agreement with the Pilot Corporation for the purpose of defining responsibilities for constructing improvements to I-19 at Ruby Road.

Therefore, authorization is hereby granted to draft said agreement which, upon completion, shall be submitted to the Deputy State Engineer for approval and execution.

A handwritten signature in dark ink, appearing to read 'D. Allocco', is written over a horizontal line.

DAVID R. ALLOCCO, P.E.
Assistant State Engineer
Engineering Technical Group
for Mary E. Peters, Director